resorting to large-scale tax evasion. During search incriminating evidences have been found showing tax-evasion and luxurious life styles led by the directors and key persons in the group. Total seizure of unexplained assets was of Rs. 450.66 lakhs.

Avoidance of Customs Duty by ESSAR Steel

4298. SHRI BHAGABAN MAJHI: Will the Minister of FINANCE be pleased to state:

(a) whether ESSAR Steel has manipulated the purchase of sponge iron manufacturing plant to avoid customs;

(b) if so, the details thereof; and

(c) the action Government propose to take against the company, including levy of penalty for willful delay in payment?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (c) M/ S. ESSAR Steel imported sponge iron manufacturing plant in respect of which recalculation of valuation was done by Customs in accordance with the judgement passed by hon'ble Supreme Court by adding 14.41 million DM paid by the importer on account of processing licence fees, technical, engineering and consultancy fees etc. Total Customs duty recoverable after recalculation of the value is Rs. 10.63 crores plus 5.96 crores as interest for the period 28.10.91 to 30.4.97. The party has been directed to pay the said amount failing which action under the Customs Law would be initiated.

Reimbursement of expenditure for receiving of pay scales for State Governments

4299. SHRI SATISH AGGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government have received any memoranda/representations from various State Government regarding reimbursal of additional expenditure that they will have to incur on account of revision of pay scales of their employees after implementation of the report of Fifth Pay Commission;

(b) if so, whether Government would consider their demand sympathetically; and

(c) whether Government have advised the State Governments to set-up such pay commissions for their employees; if so, the response of various State Governments?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) Yes, Sir.

(b) It is for the State Government to provide for salaries of their employees.

(c) No, Sir, State Governments are free to decide on matters of revision of the salaries of their employees and to appoint pay commission as and when they deem it appropriate.

Fiscal Concessions to private institutions

4300. SHRI M.D. SALIM: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that for the last few years, private institutions which are engaged in medical research, rather than simple health care and related medical activity, have been the beneficiaries of a range of Government fiscal concessions;

(b) whether the so called 'research activity' entitles the particular institutions to tax breaks, to the import of equipment from abroad, either duty-free or at substantially reduced tariffs, and to a variety of other incentives and concessions; and

(c) if so, what steps Government propose to take against this enormous Government subsidy in the health system for private profiteering?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) Certain exemptions with respect to customs and excise duties are available uniformly to public funded research institutions or a university or a non-commercial research institutions other than a hospital. Similarly direct tax concessions are available in respect of institutions engaged in research including medical research. Fiscal concessions, with respect to both direct or indirect taxes, are not confined to private institutions only.

(b) A number of direct tax concessions are available to the institutions which are engaged in the field of medical research as well as the institutions engaged in providing simple health care and related medical activities. These concessions are available subject to fulfilment of necessary conditions and safeguards. Exemption from customs and excise duties is available to the import or purchase of scientific apparatus, equipment and consumables, by public funded research institutions and non-commercial research institutions, other than hospitals, subject to certain conditions.

(c) In view of the reply to (a) and (b) above, the question of taking steps against private profiteering does not arise.

News-item regarding protest against delay in Adoption of recommendations of Pay Commission

4301. SHRI VIRENDRA KATARIA: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item in the Tribune, dated the 23rd April, 1997 regarding a dharna by about 3000 Central Government employees in protest against the inordinate delay in the adoption of the recommendations of the Fifth Pay Commission.

(b) whether it is a fact that Government have constituted three different committees to go into the different recommendations made by the Commission;

(c) if so, whether they have since submitted their reports in the matter; and

(d) if so, the reasons for the delay in accepting the various recommendations made by the Commission and by when Government are likely to accept them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) Yes, Sir.

(b) to (d) The Government has set up only one Committee viz Empowered Committee to scrutnise and obtain orders of the Government on the various recommendations of the Fifth Central Pay Commission. There has been no delay in consideration of the Report of the Pay Commission. In accordance with the established procedure, the recommendations are required to be scrutinised by an Empowered Committee, which has already met four times. The views of the Staff Side are also required to be ascertained. A meeting has been held with them. The report is being processed further. The Government is taking steps that decisions are taken soon.

Computerisation of SBI

4302. SHRI VEDPRAKASH P. GOYAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the State Bank of India is now gearing up to fully computerise its branches;

(b) if so, the total capital cost of the project;

(c) the amount of business generated per employee prior to computerisation and the estimated business per employees to be generated post-computerisation; and

(d) what other parameters would be